

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF NEW JERSEY**

DOCTOR'S ASSOCIATES INC.,

Plaintiff,

v.

**JESAL DESAI, also known as Jesal A. Patwari,
SHAPAT, INC., SHAPAT II, LLC, SHAPAT III,
LLC, PATWARI, LLC,**

Defendants.

08-CV-3363 (WJM)

ORDER

Plaintiff and Defendants having entered into four franchise agreements; these franchise agreements having granted Defendants use of Plaintiff's trademarks; Plaintiff having apparently validly terminated these agreements; Defendants thus being apparently unauthorized to use Plaintiff's trademarks; Plaintiff having submitted a claim for damages under the agreements to arbitration; the arbitrator having issued an award for Plaintiff; Defendants having secured a stay of the enforcement of this award in state court; the state court stay ordering the parties to maintain the "status quo" on the grounds that the franchise agreements were potentially unconscionable; the Court finding that in view of the state court's finding that the agreements were potentially unconscionable that its reference to the "status quo" required only a stay of the arbitration award—and did not require maintenance of agreements that the state court found potentially unconscionable following Plaintiff's termination; Plaintiff having filed a motion for a preliminary injunction enjoining Defendants from using Plaintiff's trademarks; the Court having granted Plaintiff's motion; Defendants now seeking to stay this order; Defendants arguing that this Court's order is inconsistent with the state court's order; the Court finding that its order enjoining Defendants from using Plaintiff's trademarks is not inconsistent with the state court's stay of the arbitration award; and good cause appearing;

IT IS on this 18th day of August 2008, hereby

ORDERED that Defendants' motion for a stay of this Court's preliminary injunction is **DENIED**.

s/ William J. Martini

WILLIAM J. MARTINI, U.S.D.J.